

Sample Production Costs

WHEAT

on

Upland Soils

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UC Cooperative Extension

SAMPLE COSTS TO PRODUCE WHEAT ON UPLAND SOIL IN SACRAMENTO COUNTY
(Rented Land)
February 1962

Yield 18 CWT

Operation	Total Cost/Acre
Cultural	
Plow-----	\$ 5.00
Disk 2X-----	5.00
Drill & Fertilize (2.50) Cleaned Seed 85 lbs. @4.12/CWT(3.50) Fertilizer 75 lbs. of 16-20-0 (3.00)-----	9.00
Weed Spray, 2,4-D applied by air on $\frac{1}{4}$ acreage-----	.40
TOTAL CULTURAL COSTS	\$ 19.40
Harvest	
Combine (custom)-----	6.00
Haul, 2.00 per ton -----	1.80
TOTAL HARVEST COSTS	\$ 7.80
Fire Insurance .35 per 100.00 valuation (58.50)-----	\$.20
Rent $\frac{1}{4}$ of gross 18 CWT @ 3.25 (58.50)-----	14.60
Management - 10% of 58.50-----	5.85
TOTAL COST PER ACRE	\$ 47.85
CREDIT FOR GRAZING	\$ 1.00
NET COST PER ACRE	\$ 46.85
NET COST PER CWT AT 1800 LBS. PER A.	\$ 2.60

NOTE: Yield tends to be higher than barley and oats because wheat is put on better land and given better care.

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Net Return per Acre at different yields and prices

Yield lbs. per acre	Price Per CWT				
	\$2.75	\$3.00	\$3.25	\$3.50	\$3.75
1000	-7.75	-6.10	-4.45	-2.80	-1.25
1400	- .95	+1.35	+3.60	+5.90	+8.15
1800	+5.85	+8.80	+11.70	+14.65	+17.55
2200	+12.65	+16.20	+19.80	+23.35	+26.95
2600	+19.45	+23.65	+27.90	+32.10	+36.35

BASIS OF COST STUDY:

For uniformity all operations are based on custom rates. The management cost is calculated at 10% of the gross income. It is based on 5% for cash costs such as office expense, accounting and transportation and 5% for the management function itself.

ACKNOWLEDGMENT:

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